

# THIRD QUARTER 2023 RESULTS

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June 15, 2023



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# Forward Looking Statement



**Forward Looking Statements:** This presentation contains forward-looking statements, including those regarding our anticipated financial results for the third quarter of fiscal year 2023; our guidance for future financial performance in our fourth quarter of fiscal year 2023 (including, net revenue, segment revenue, U.S. GAAP operating income, U.S. GAAP diluted earnings per share, core operating income (Non-GAAP), core diluted earnings per share (Non-GAAP), net interest expense, and core tax rate (non-GAAP) and the components of each); our guidance for future financial performance in full fiscal year 2023 (including, segment revenue, end market revenue, segment core operating margin, net revenue, core operating income, core operating income margin, core earnings per share, free cash flow, and the components and drivers of each); and our outlook for secular trends. The statements in this presentation are based on current expectations, forecasts and assumptions involving risks and uncertainties that could cause actual outcomes and results to differ materially from our current expectations. Such factors include, but are not limited to: our determination as we finalize our financial results for our third quarter of fiscal year 2023 that our financial results and conditions differ from our current preliminary unaudited numbers set forth herein; scheduling production, managing growth and capital expenditures and maximizing the efficiency of our manufacturing capacity effectively; managing rapid declines or increases in customer demand and other related customer challenges that may occur; the scope and duration of the COVID-19 outbreak and its impact on our operations, sites, customers and supply chain; our dependence on a limited number of customers; our ability to purchase components efficiently and reliance on a limited number of suppliers for critical components; risks arising from relationships with emerging companies; changes in technology and competition in our industry; our ability to introduce new business models or programs requiring implementation of new competencies; competition; transportation issues; our ability to maintain our engineering, technological and manufacturing expertise; retaining key personnel; risks associated with international sales and operations, including geopolitical uncertainties in Russia and Ukraine; energy price increases or shortages; our ability to achieve expected profitability from acquisitions; risk arising from our restructuring activities; issues involving our information systems, including security issues; regulatory risks (including the expense of complying, or failing to comply, with applicable regulations; risk arising from design or manufacturing defects; and intellectual property risk); financial risks (including customers or suppliers who become financially troubled; turmoil in financial markets; tax risks; credit rating risks; risks of exposure to debt; currency fluctuations; and asset impairment); changes in financial accounting standards or policies; and risk of natural disaster, climate change or other global events. Additional factors that could cause such differences can be found in our Annual Report on Form 10-K for the fiscal year ended August 31, 2022 and our other filings with the Securities and Exchange Commission. We assume no obligation to update these forward-looking statements.

# Third Quarter

## FY23 Highlights



- ✓ **Strength in Automotive, Healthcare and Industrial**
- ✓ **Core Operating Margin<sup>1</sup> up 60 bps y/y**
  - Solid execution and operating leverage
- ✓ **Core Diluted EPS<sup>1</sup>**
  - 16% growth year-on-year

### NET REVENUE

**\$8.5**  
BILLION

### CORE OP MARGIN<sup>1</sup>

**4.8%**

### CORE DILUTED EPS<sup>1</sup>

**\$1.99**

<sup>1</sup> See U.S. GAAP to non-GAAP reconciliation in appendix.

# Third Quarter FY 2023

## Income Highlights



(In millions, except for per share data)

	THREE MONTHS ENDED MAY 31,	
	2023	2022
Net revenue	\$8,475	\$8,328
U.S. GAAP operating income	\$375	\$321
U.S. GAAP net income	\$233	\$218
U.S. GAAP diluted earnings per share	\$1.72	\$1.52
Core operating income (non-GAAP) <sup>1</sup>	\$404	\$352
Core earnings (non-GAAP) <sup>1</sup>	\$269	\$246
Core diluted earnings per share (non-GAAP) <sup>1</sup>	\$1.99	\$1.72

<sup>1</sup> See U.S. GAAP to non-GAAP reconciliation in appendix.

# Third Quarter FY 2023

## Segment Results



### DIVERSIFIED MANUFACTURING SERVICES (DMS)

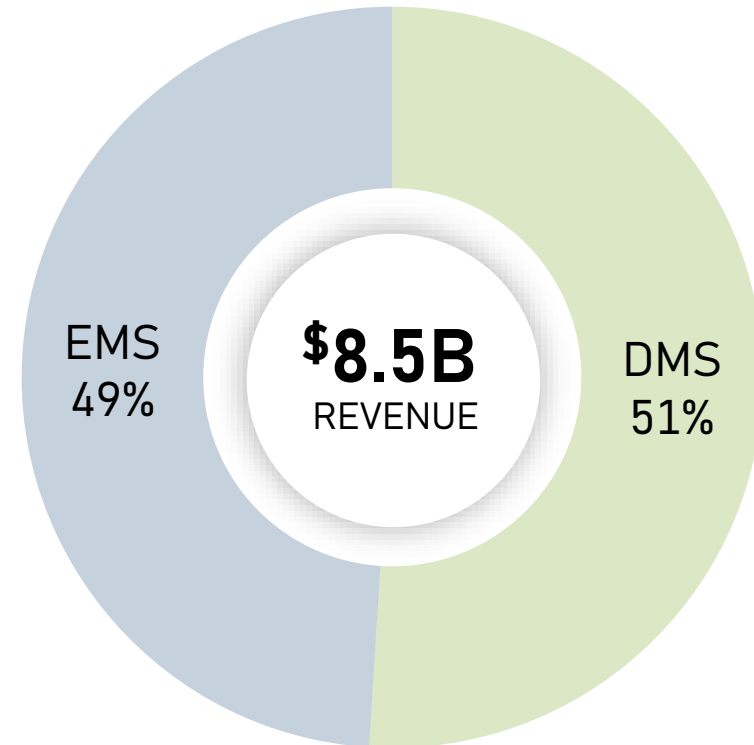
- Net Revenue Increase of 13%
- Core margin\* (non-GAAP) of 4.1%

### ELECTRONICS MANUFACTURING SERVICES (EMS)

- Net Revenue decrease of -8%
- Core margin\* (non-GAAP) of 5.5%

### TOTAL COMPANY

- Net Revenue Increase of 2%
- Core margin\* (non-GAAP) of 4.8%



\* Core margin defined as core operating income divided by net revenue | See U.S. GAAP to non-GAAP definitions and reconciliations located at <https://investors.jabil.com/>

# Third Quarter FY 2023

## Cashflow Highlights



(\$ millions)	THREE MONTHS ENDED <b>MAY 31,</b> <u>2023</u>
Days in inventory net of deposits <sup>1</sup>	62
Net cash provided by operating activities	\$468
Acquisition of property, plant and equipment	(\$223)
Proceeds and advances from sale of property, plant and equipment	\$11
Net capital expenditures <sup>1</sup>	(\$212)
Adjusted free cash flow (non-GAAP) <sup>2</sup>	\$256
Core EBITDA (non-GAAP) <sup>1</sup>	\$628
Share repurchases	\$154

<sup>1</sup> See U.S. GAAP to non-GAAP reconciliation in appendix and U.S. GAAP to non-GAAP definitions located at <https://investors.jabil.com/>

<sup>2</sup> See U.S. GAAP to non-GAAP reconciliation on Form 8-K filed on June 15, 2023.

A close-up photograph of a white industrial robotic arm with yellow and black cables, positioned over a complex assembly line with various mechanical parts and components.

JABIL FY24

# 6<sup>th</sup> ANNUAL INVESTOR BRIEFING

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September 28, 2023

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# FINANCIAL UPDATE

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MIKE DASTOOR

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# Third Quarter FY 2023 YTD

Solid Performance Amid Dynamic Environment



<sup>1</sup> See U.S. GAAP to non-GAAP reconciliation in appendix.

# Fourth Quarter FY23

## Guidance



<b>Segment Revenue Guidance</b>	<b>Q4 FY22</b>	<b>Q4 FY23E</b>
Diversified Manufacturing Services	\$4.4B	\$4.3B
Electronics Manufacturing Services	\$4.6B	\$4.2B

<b>Consolidated Guidance</b>	<b>Q4 FY23E</b>
Net revenue	\$8.2B - \$8.8B
U.S. GAAP operating income	\$400M - \$460M
U.S. GAAP diluted earnings per share	\$1.96 - \$2.32
Core operating income (non-GAAP) <sup>1</sup>	\$424M - \$484M
Net interest expense <sup>2</sup>	\$73M
Core tax rate (non-GAAP) <sup>3</sup>	19%
Core diluted earnings per share (non-GAAP) <sup>1</sup>	\$2.14 - \$2.50

<sup>1</sup> See U.S. GAAP to non-GAAP reconciliation on Form-8K filed on June 15, 2023.

<sup>2</sup> Net interest expense = interest expense + loss on sale of AR - interest income

<sup>3</sup> The core tax rate (non-GAAP) is a normalized annual income tax rate with regard to core earnings. See U.S. GAAP to non-GAAP definitions located at <https://investors.jabil.com/>

# Secular Trends Driving Growth Across Multiple End-Markets



## Revenue by End-Market

\$ in billions	FY22	FY23E	Y/Y
Auto & Transportation	\$3.1	\$4.4	42%
Healthcare & Packaging	\$5.0	\$5.5	10%
Connected Devices	\$4.7	\$4.1	(13%)
Mobility	\$3.9	\$3.8	(3%)
<b>Total DMS Revenue</b>	<b>\$16.7</b>	<b>\$17.8</b>	<b>7%</b>
<b>DMS Core Margin<sup>2</sup></b>	<b>4.9%</b>	<b>4.9%</b>	

\$ in billions	FY22	FY23E	Y/Y
Digital Print & Retail	\$3.1	\$3.1	0%
Industrial & Semi-Cap	\$4.0	\$4.5	13%
5G Wireless & Cloud	\$6.5	\$6.1	(6%) <sup>1</sup>
Networking & Storage	\$3.1	\$3.2	3%
<b>Total EMS Revenue</b>	<b>\$16.7</b>	<b>\$16.9</b>	<b>1%</b>
<b>EMS Core Margin<sup>2</sup></b>	<b>4.3%</b>	<b>5.0%</b>	

<sup>1</sup> In FY23 cloud continued transitioning to a consignment model | <sup>2</sup> Core margin defined as core operating income divided by net revenue  
 | See U.S. GAAP to non-GAAP definitions and reconciliations located at <https://investors.jabil.com/>

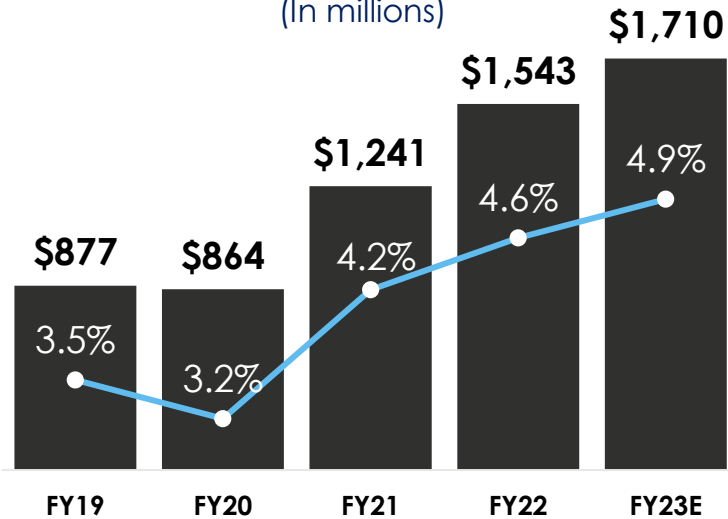
# Our Outlook

The Momentum Continues

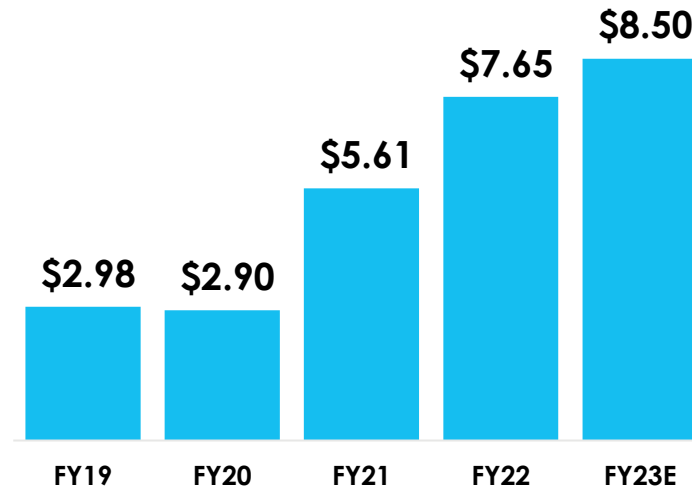


## CORE OP INCOME & CORE OP MARGIN<sup>1</sup>

(In millions)

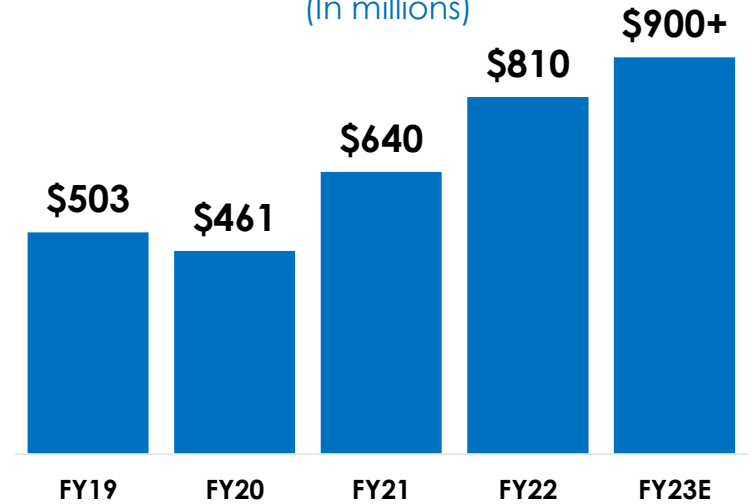


## CORE EPS<sup>1</sup>



## FREE CASH FLOW<sup>1</sup>

(In millions)



**4.9%**  
CORE OPERATING MARGIN<sup>1</sup>

**\$8.50**  
CORE EPS<sup>1</sup>

**\$900+**  
FREE CASH FLOW<sup>1</sup>

<sup>1</sup> See U.S. GAAP to non-GAAP definitions and reconciliations located at <https://investors.jabil.com/>



# BUSINESS UPDATE

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KENNY WILSON



# Our Outlook

Updated FY23 Financial Plan



NET REVENUE

**\$34.7**  
BILLION

CORE OP MARGIN<sup>1</sup>

**4.9%**

CORE EPS<sup>1</sup>

**\$8.50**

FREE CASH FLOW<sup>1</sup>

**\$900+**  
MILLION

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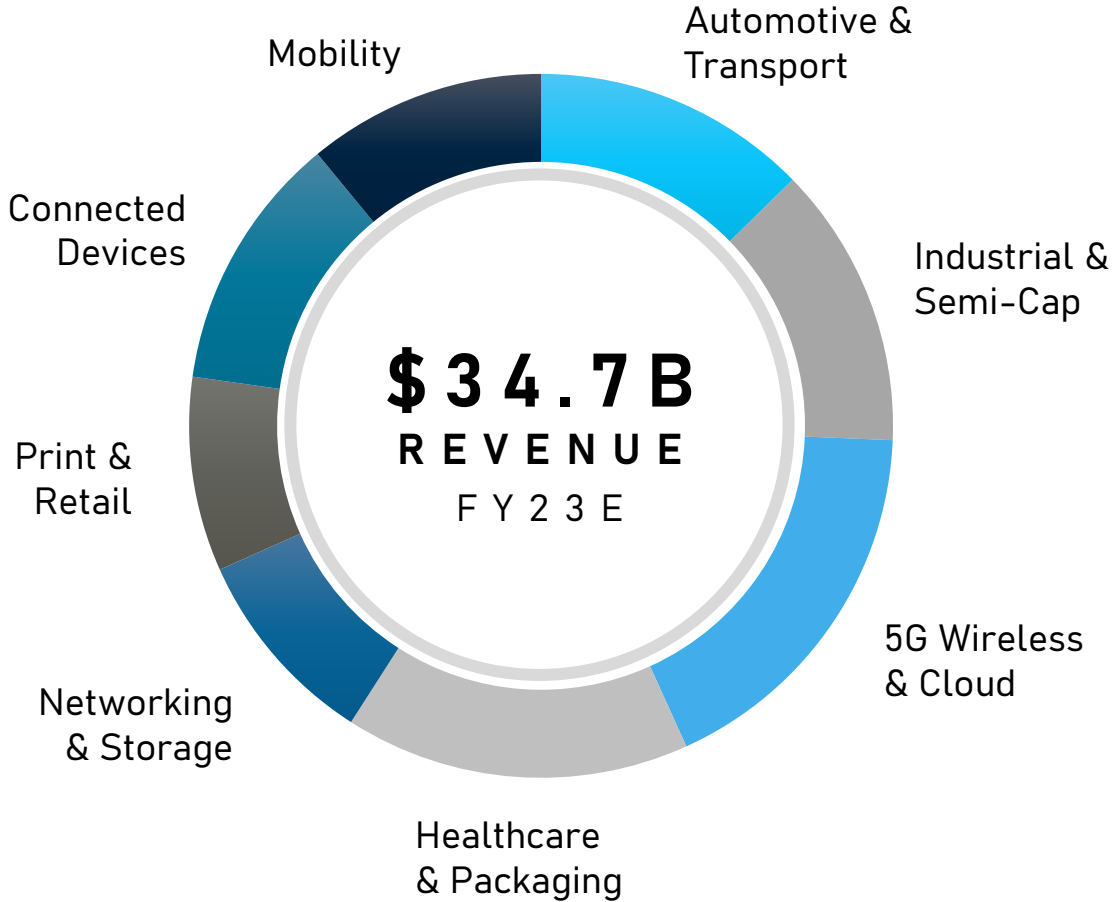
## MANAGEMENT'S OUTLOOK FOR FY23

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<sup>1</sup>See U.S. GAAP to non-GAAP definitions located at <https://investors.jabil.com/>

# Targeted End-Markets

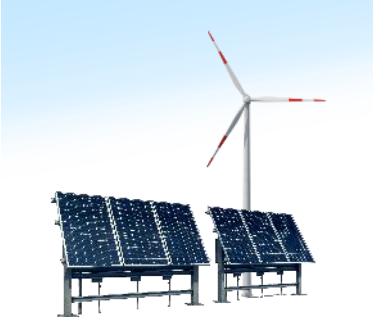
Secular Trends Driving Growth Across Multiple End-Markets



### | Electric Vehicles



### | Renewables



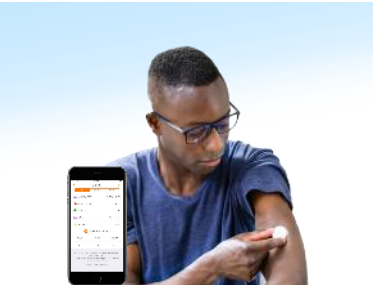
### | Energy Storage



### | 5G & Cloud

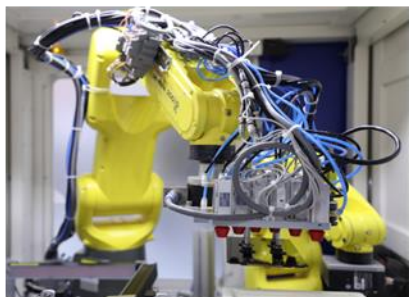
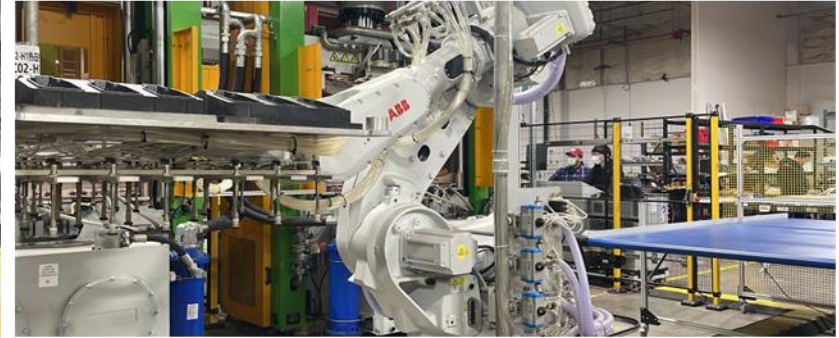


### | Digital Health



# Driving Efficiencies Across Factory Network

## Automation, AI & ML





# ANNUAL INVESTOR BRIEFING

## Our Financial Outlook & Strategy

### FY24 FINANCIAL OUTLOOK

PRIORITIES

- Profitable Revenue Growth
- Margin Expansion
- Free Cash Flow Growth
- EPS Growth
- Capital Return Framework

### GROWTH DRIVERS

Cloud



Electric Vehicles



Renewables



Energy Storage



Digital Health



Automation/AI/ML



### ACHIEVING OUR TARGETS



# APPENDIX

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## GAAP TO NON-GAAP RECONCILIATIONS



**JABIL**

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**JABIL INC. AND SUBSIDIARIES**  
**OPERATING INCOME, EBITDA and NET INCOME NON-GAAP RECONCILIATION**  
(in millions, except for per share data)  
(Unaudited)

	Three months ended		Nine months ended	
	May 31, 2023	May 31, 2022	May 31, 2023	May 31, 2022
<b>Operating income (U.S. GAAP)</b>	\$ 375	\$ 321	\$ 1,096	\$ 984
Amortization of intangibles	7	8	24	24
Stock-based compensation expense and related charges	18	16	80	67
Restructuring, severance and related charges	—	—	45	—
Net periodic benefit cost	4	7	11	21
Adjustments to operating income	29	31	160	112
<b>Core operating income (Non-GAAP)</b>	<u>\$ 404</u>	<u>\$ 352</u>	<u>\$ 1,256</u>	<u>\$ 1,096</u>
<b>Core operating income (Non-GAAP)</b>	\$ 404	\$ 352	\$ 1,256	\$ 1,096
Depreciation expense	224	218	671	666
<b>Core EBITDA (Non-GAAP)</b>	<u>\$ 628</u>	<u>\$ 570</u>	<u>\$ 1,927</u>	<u>\$ 1,762</u>
<b>Net income attributable to Jabil Inc. (U.S. GAAP)</b>	\$ 233	\$ 218	\$ 663	\$ 681
Adjustments to operating income	29	31	160	112
Loss on debt extinguishment	—	4	—	4
Net periodic benefit cost	(4)	(7)	(11)	(21)
Adjustments for taxes	11	—	32	—
<b>Core earnings (Non-GAAP)</b>	<u>\$ 269</u>	<u>\$ 246</u>	<u>\$ 844</u>	<u>\$ 776</u>
Diluted earnings per share (U.S. GAAP)	<u>\$ 1.72</u>	<u>\$ 1.52</u>	<u>\$ 4.86</u>	<u>\$ 4.67</u>
Diluted core earnings per share (Non-GAAP)	<u>\$ 1.99</u>	<u>\$ 1.72</u>	<u>\$ 6.18</u>	<u>\$ 5.32</u>
Diluted weighted average shares outstanding (U.S. GAAP and Non-GAAP)	<u>135.1</u>	<u>143.3</u>	<u>136.4</u>	<u>145.8</u>
<b>Supplemental Information</b>				
Days in inventory	84 days	85 days		
Days in inventory, net	62 days	70 days		